

*SPR deployment in 2011 lowered prices by eight percent*

Citing Wall Street speculators' use of Iranian posturing to drive gas prices higher than ever for this time of year, Rep. Peter Welch and two House colleagues today wrote President Obama to encourage him to devise an "aggressive strategy" to use the nation's Strategic Petroleum Reserve (SPR) to help struggling Vermonters and protect the economic recovery.

Welch wrote to the President with Reps. Ed Markey (D-Mass.) and Rosa DeLauro (D-Conn.) Last year, at the urging of Welch, Markey, DeLauro and others, President Obama used the reserve during the Libyan uprising to tamp down prices by eight percent.

"It is essential that the United States have an aggressive strategy for releasing oil from the Strategic Petroleum Reserve to combat the speculators capitalizing on the fear in oil markets and to send a message to Iran that we are ready, willing, and able to deploy our oil reserves," say Welch, Markey and DeLauro. "Signaling that the United States will continue to employ an aggressive SPR policy in the near term would send a strong signal to oil markets responding to the unrest in the Middle East."

While Iran has said they will cut off supplies to Britain and France, those two European countries import little crude from the nation. Despite that, speculators have driven up prices of crude oil by several dollars over the last few days. Many economists believe that higher prices would crimp the current economic recovery in the United States.

Releasing oil from the SPR has driven down prices in the past. When President George H. W. Bush deployed oil from the SPR in 1991, oil prices immediately dropped by more than 33 percent. When President Clinton exchanged oil from the SPR in 2000, it again drove prices down by nearly 19 percent. When President George W. Bush released oil from the reserve in 2005 following Hurricane Katrina, oil prices fell by more than nine percent. And last year, when President Obama directed the release of 30 million barrels of oil from the SPR – less than 5 percent of the reserve – in conjunction with the release of an additional 30 million barrels from international partners, prices declined by eight percent.

Currently, the SPR holds approximately 696 million barrels and is filled to more than 95 percent of its capacity.

To see the letter sent to the President, [CLICK HERE.](#)